



November 3, 2003

## **Highlights of the Conference Report to Accompany H.R. 2691, the Department of the Interior and Related Agencies Appropriations Act for FY 2004**

*The Conference Report, H. Rept. 108-330, was filed on October 28, 2003.*

### **NOTEWORTHY**

- The Conference Report provides the Department of the Interior and related agencies with \$19.66 billion for Fiscal Year 2004, an amount which is \$23 million below the budget request and \$45 million below that enacted in FY 2003. In addition, the bill provides \$400 million in emergency funds to repay the Forest Service and the Bureau of Land Management for funds borrowed to fight wildfires last summer.
- In addition to the emergency repayment funds noted above, the Conference Report contains \$2.5 billion to suppress wildfires, restore forests, and reduce hazardous fuels.
- The Conference Report contains legislative language restricting the ability of Departments and agencies funded under this bill to conduct public-private competitions. It places caps on the amount of funds which may be expended on competitive sourcing reviews and limits the Administration's ability to conduct streamlined competitive sourcing reviews when small groups of employees are affected.
- The House passed the Conference Report on October 30 by a vote of 216-205.

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## Highlights

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### **Title I - Department of the Interior**

**Conference Report.** The Conference Report includes a total of \$9.86 billion for Title I, which is \$100 million above the budget request, and \$231 million above the amount enacted for FY 2003. This amount includes \$1.81 billion for the Bureau of Land Management (BLM), \$1.32 billion for the U.S. Fish and Wildlife Service, \$2.29 billion for the National Park Service, \$949.7 million for the U.S. Geological Survey, \$172.4 million for the Minerals Management Service, and \$300 million for the Office of Surface Mining Reclamation and Enforcement.

**Senate-Passed Bill.** The Senate-passed bill included a total of \$9.83 billion for Title I, \$70.5 million more than the Administration's request and \$242.7 million more than the amount appropriated for FY03. This amount included \$1.72 billion for the BLM, \$1.34 billion for the U.S. Fish and Wildlife Service, \$2.32 billion for the National Park Service, \$928.9 million for the U.S. Geological Survey, \$173.1 million for the Minerals Management Service, and \$297.6 million for the Office of Surface Mining Reclamation and Enforcement.

#### **Indian Affairs**

**Conference Report.** The Conference Report includes a total of \$2.33 billion for the Bureau of Indian Affairs, which is \$36.8 million above the budget request and \$72.3 million above the amount enacted for FY 2003. The Conference Report includes \$2.96 billion for Indian Health Services (Title II), which is \$68.5 million above the budget request and \$108.5 million above the amount enacted in FY 2003. The Conference Report provides \$13.5 million for the Office of Navajo and Hopi Indian Relocation and \$8.25 million for the Institute of American Indian and Alaska Native Culture and Arts Development.

**Senate-Passed Bill.** A total of \$2.32 billion was recommended for the Bureau of Indian Affairs. A total appropriation of \$2.94 billion was recommended for the Indian Health Service.

### **Title II - Related Agencies**

**Conference Report.** A total of \$10.31 billion is provided for Title II, \$171.6 million less than the FY03 appropriation and \$580.1 million more than the budget request.

- The Conference Report provides the **U.S. Forest Service** \$4.54 billion, which is \$489.3 million more than the Administration's request and \$325.6 million below the FY03 appropriation. Included in that sum is: \$269.7 million for Forest and Rangeland Research, \$308.1 million for State and Private Forestry, \$1.38 billion for the National Forest System,

\$1.94 billion for Wildland Fire Management, \$562.2 million for Capital Improvement and Maintenance, and \$67.2 million for Land Acquisition.

- The Conference Report provides the **Department of Energy** \$1.70 billion, \$3.3 million below the budget request and \$39.97 million below the FY03 amount. This amount includes: \$97 million in previously appropriated forward-funding for the Clean Coal Technology program, \$681.2 million for fossil energy research and development, \$888.9 million for energy conservation, \$173.1 million for operation of the Strategic Petroleum Reserve, and \$82.1 million for the Energy Information Administration.

**Senate-Passed Bill.** A total of \$9.78 billion was recommended for Title II, \$416.5 million less than the FY03 appropriation and \$52.2 million more than the budget request. The Senate-passed bill would have provided the **U.S. Forest Service** \$4.09 billion, and the **Department of Energy** with \$1.67 billion.

### **Title III - General Provisions**

**Conference Report.** The Conference Report has 44 provisions that are described in Title III. Provisions in Sections 322, 328, 331, 332, 340, 341, 343, and 344 are all new. The most important new provision is Section 340, which requires the President to submit to Congress a justification of competitive sourcing activities. The Conference Report contains legislative language restricting the ability of funded agencies to conduct public-private competitions under the A-76 Circular. Such competitions allow the Department of the Interior and other federal agencies to improve efficiency and save taxpayer dollars by comparing the cost of “non-inherently” governmental functions provided by Federal workers to bids submitted by the private sector. The Conference Report places caps on the amount of funds which may be expended on competitive sourcing reviews: a \$5 million cap on the Forest Service, a \$2.5 million cap on the Interior Department, and a \$500,000 cap on the Energy Department. It also adds language inhibiting the Administration’s ability to conduct streamlined competitive sourcing reviews when small groups of employees are affected. The language is similar to an amendment adopted during consideration of the Department of Defense Appropriations bill (H.R. 2658, S. 1382). It requires that if work is awarded to the private sector, that private-sector bid must be at least 10 percent less than the Federal Government’s. Additionally, the provision mandates that all of the Department of the Interior’s streamlined competitions include a most efficient organization proposal. This runs contrary to the Administration’s revisions to the A-76 Circular that allows agencies to determine which process to use.

The Conference Report removes Sections 329, 335, 336, 337, 339, 340, 341, 342, 343, 344, and 345 from the Senate-passed Bill.